British Columbia Housing Management Commission

1984 Annual Report

Year ended December 31, 1984

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The Honourable
Robert G. Rogers
Lieutenant-Governor of the
Province of British Columbia

May it please Your Honour:

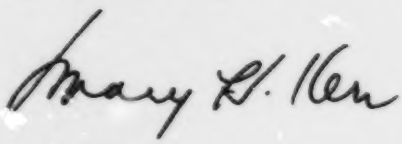
I have the honour to transmit herewith the Annual Report of British Columbia Housing Management Commission for the year ended December 31, 1984.

ANTHONY J. BRUMMET
Minister of Lands, Parks and Housing

The Honourable Anthony J. Brummet
Minister of Lands, Parks and Housing
Province of British Columbia
Victoria, British Columbia

Sir:

We have the honour to submit, for your approval, the Annual Report of British Columbia Housing Management Commission covering the period January 1, 1984 to December 31, 1984.



MARY H. KERR
Chairman

General Manager's Report

During the early part of the year we completed the recruitment, staff transfers and Regional Office relocation required to facilitate the reduction in the number of Lower Mainland Regions from four to three. As the year progressed staff became more familiar with their respective housing portfolios and the needs of the tenants.

Major renovation projects were completed at several of our developments as part of our ongoing commitment to the maintenance of our housing stock in the best possible condition to ensure its continued availability.

The introduction of a Pre-Authorized Rent Payment System proved to be highly successful, with participation increasing each month as more tenants realized the convenience and benefits of having their monthly rent payments automatically deducted from their bank account.

As General Manager, I would like to take this opportunity to thank the employees of the Commission for their efforts to continue to provide a high level of service and commitment to the residents, applicants and the non-profit sectors we serve and to the portfolio and programs we manage.

J. C. Leman.

J.C. LEMAN
General Manager

Purpose and Accountability

The British Columbia Housing Management Commission was established as an agency of the Province of British Columbia in 1967 to manage provincial and federal-provincial housing and property. In all its programs and activities, it is accountable to the Honourable Anthony J. Brummet, Minister of Lands, Parks and Housing.

The purposes of the Commission are outlined by Order-in-Council No. 2388 dated September 7, 1978 and are as follows:

A To execute provincial housing policies as directed by the Ministry charged with the administration of the Housing Act (Lands, Parks and Housing)

B To manage provincial and federal-provincial housing and property on behalf of the Ministry

C To administer rent supplement programs of the Ministry in:

1. housing managed by the Commission;
2. housing operated by non-profit societies; and
3. housing owned and operated in the private sector

D To monitor the performance and value of programs under its jurisdiction

E To recommend to the Ministry policy or program changes related to matters under Commission jurisdiction

F To provide the Ministry with housing program services as required

Overseen by a Board of Commissioners appointed by the Lieutenant-Governor in Council upon the recommendation of the Minister, the Chairman is appointed by the Minister from among the Board members. The Chairman and the Board are accountable to the Minister. The Board ensures that the organization fulfills its purposes and does not exceed the powers and duties outlined in its Order-in-Council and hires the General Manager who as the chief executive officer manages the affairs of the Commission.

Three branches have been established within the organization to carry out the day-to-day operations. Together with the General Manager, the Directors of these Branches make up a Management Committee which establishes operating policies and provides leadership and direction to the organization.

The Housing Operations Branch manages the housing and property portfolio under the Commission and undertakes major renovations and other special programs as assigned. Following a decentralized management model there are six regional offices in the Province.

Housing Operations are also responsible for the allocation of applicants to housing units within the portfolio and in designated units in the private rental sector.

The Financial and Administrative Services Branch provide accounting, research, computer and administrative services to the Commission and financial reporting to the Provincial and Federal governments.

The Personnel and Labour Relations Services Branch provides personnel and labour relations services to the organization.

The Rent Supplement Department is responsible for the administration of Rent Supplement and Non-Profit Housing Programs.

At December 31, 1984 the Commission had 222 full-time and part-time employees. Of these 110 were under collective agreement with the Service Employees' International Union (SEIU), 70 were under agreement with the British Columbia Government Employees' Union (BCGEU), 19 were under agreement with Hotel, Restaurant Culinary Employees Bartenders Union (HRCEBU), and 23 were excluded from union contracts.

Operating Policy

The general policy framework within which the Board of Commissioners and staff carry out the purposes of the Commission and conduct Commission business are summarized as follows:

- To allocate housing to low and moderate income families on the basis of need, aiming to achieve a social and economic integration of residents.
- To allocate housing to modest income senior citizens and disabled persons on the basis of need.
- To provide a living environment for residents that is safe, secure, and provides quiet enjoyment.
- To pursue maintenance standards that produce modern, safe, sound, and aesthetic properties.
- To ensure accountability by staff and residents to lease terms and the Residential Tenancy Act.
- To assert positive, fair, and consistent relations with residents and the larger community.
- To foster the idea and practice of local tenant associations and resident groups.
- To manage public funds conscientiously and economically.
- To inspire professionalism, innovation, and accountability in staff performance.
- To encourage skilled management in the non-profit housing sector.
- To be a cooperative resource in relations with the Ministry of Lands, Parks and Housing and other agencies with which the Commission is associated.

Portfolio and Programs at December 31 1984

	Housing Units		Developments/ Societies	
	1984	1983	**1984**	1983
Property Management Portfolio:				
Section 40 NHA — Regular	**5603**	5603	**51**	51
— City of Vancouver	**292**	292	**3**	3
Section 44 NHA	**1966**	1966	**44**	44
Wholly Provincial — Projects	**151**	133	**13***	33
— Land Parcels	**—**	—	**11**	10
— The Glenshiel	**74**	74	**1**	1
Total	**8086**	8068	**123**	142
Rent Supplement Programs: **				
Section 44(1)(a)NHA —				
Private	**652**	715	**98**	99
Disabled	**311**	261	**68**	61
City of Vancouver Residences	**168**	168	**2**	2
Section 44(1)(b) NHA —				
Senior Citizens	**4449**	5245	**113**	118
High Impact Grants	**340**	787	**5**	13
Section 56(1)				
Provincial Rental Assistance Program	**452**	383	**26**	16
Total	**6372**	7559	**312**	309
Other Provincial Programs:				
Consulting Services to Non-Profit Societies				
Rural and Remote Mortgage Program				
GVRD and Co-op Mortgage Programs				
Ray Cam Co-operative Centre				

**Number of projects reduced by regrouping the original units managed.*

***Units receiving rent supplement.*

Portfolio Management
In 1984, the Property Management Portfolio included 8,086 units in 123 developments throughout the Province. With the exception of 292 units managed by the City of Vancouver, all were managed by BCHMC. Within this portfolio, the Commission provides sound, secure, and affordable accommodation to persons with housing need.

The portfolio is divided into six regions: Greater Vancouver Burrard, Greater Vancouver Central, Greater Vancouver Fraser, Vancouver Island, Northern B.C., Southern B.C. The Managers in these regions are responsible for all employees, agents, and Commission activities within their region.

Regional organizations are comprised of a Regional Manager, Property Managers, Maintenance Managers and support staff. In the three regions outside the greater Vancouver area, a Regional Manager is based in Victoria, Prince Rupert and Penticton. These Managers are also responsible for rent supplement programs and the housing allocation function.

Recognizing the changing economy of the Province, the Commission reviewed its integrated income policy. The overall income ceiling was increased to $25,000. The balanced community concept was re-emphasized as being 65% of the units in housing developments to be allocated to families with income less than $16,000 per year and 35% with incomes between $16,000 and $25,000.

The selection of residents is based on housing need determined by a point system. Applicants are allotted points for such factors as inadequacies of present accommodation; percentage of income being paid for the accommodation; years of residency in the area. Applicants and tenants who feel aggrieved by staff decisions may appeal them to the Chairman.

Rent Supplement Programs
The majority of the Commission's housing portfolio and programs are funded under rent supplement programs. The Commission administers these federal-provincial programs aimed at maintaining reasonable rents in Commission managed developments, in housing provided by non-profit societies and in designated units in the private sector.

Commission Managed Housing
Under this program applicants are offered two options under the B.C. Rent Scale. They pay 30% of their gross family income or they can pay market rent for their housing unit. Market rent is the ceiling under either option. Residents who do not pay market rent have their rents supplemented by financial contributions from the Provincial and Federal Governments. All residents have their incomes reviewed annually by the Commission. During 1984 total tenant rents paid to the Commission plus financial contributions by the two levels of government under Sections 40 and 44, National Housing Act, provided the revenue necessary to offset the cost of managing, operating and amortizing this housing portfolio.

Non-Profit Housing
— Rent Supplement
Four distinct programs provide assistance to the residents of eligible non-profit societies. The residents are assured they will pay no more than 30% of their income towards rent.

The Commission involvement is directly with the non-profit society, not with the residents. The society is responsible for the preparation and submission to the Commission of all documents relating to individual resident income and changes in tenancy. All residents have their incomes reviewed annually by the non-profit society and by the Commission.

Portfolio and Programs at December 31 1984 *(Cont'd.)*

Senior Citizens

Section 44(1)(b) National Housing Act

For the year ending December 31, 1984 payments totalling $4,270,326 were made to non-profit societies managing 113 buildings. These rent supplement payments are shared equally by the Provincial and Federal governments.

Provincial Rental Assistance Program — Senior Citizens

This program provides rent supplement payments to assist residents in units constructed under the Provincial Senior Citizens Rental Housing Construction Program that receives Section 56.1 N.H.A. assistance. At year end, 410 units in 17 buildings had received assistance at an annual cost to the Province of about $196,000.

Disabled

Section 44(1)(a) National Housing Act

For the year ending December 31, 1984 payments totalling $1,413,693 were paid to non-profit societies managing 311 units in 68 buildings. Costs are shared equally by the Provincial and Federal governments.

Provincial Rental Assistance Program — Disabled

New in 1984, this program provides rent supplement payments to assist residents in units constructed under the Provincial Housing for Disabled Program that receive Section 56.1 N.H.A. assistance. At year end there were 42 units in 9 buildings at an assistance cost of about $25,000. Most of the activity was in the last quarter with units being added almost daily as residents were moved from the Tranquille Institution.

High Impact Grant (HIG)

This grant was designed to assist co-operatives or non-profit societies meet their operating expenses during the first seven to eight years of operation. Cost of this program in 1984 was $110,881.

Property Management Consultant Services

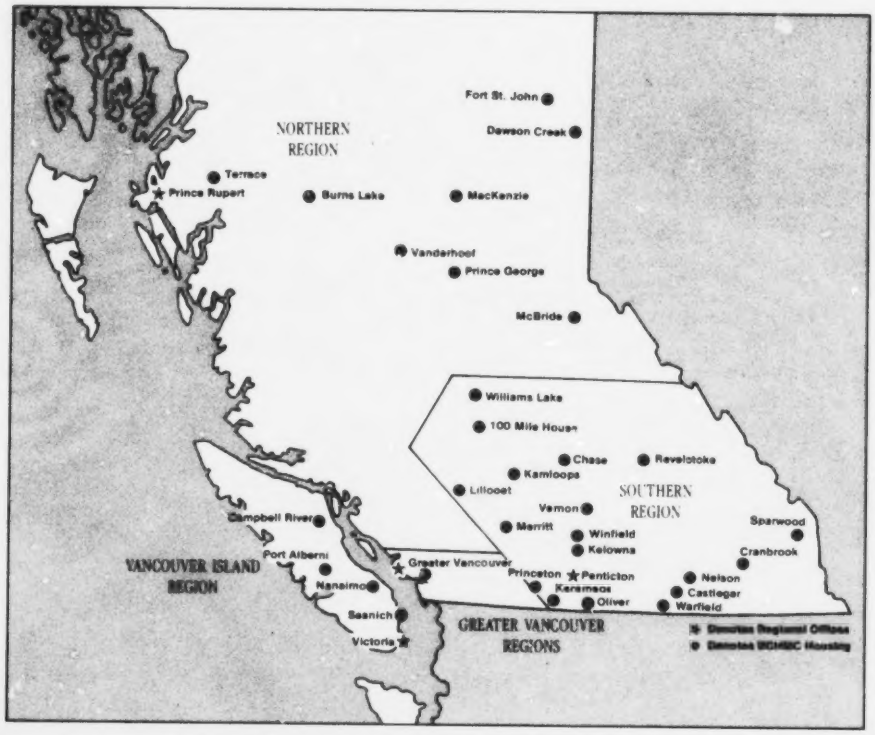
Commission staff provide monitoring of operations, budget approval and property management, consulting services to societies receiving funds under the Provincial Rental Assistance Program for Seniors as well as both of the programs for the Disabled.

Private Housing Sector

In developments that were built under the Assisted Rental Program (ARP) up to 25% of the units may have been designated for use by families and senior citizens with modest incomes chosen from the Commission's applicant list.

Residents of these units accept responsibility for the monthly rent and the Commission makes monthly rent supplement payments directly to them to ensure they pay no more than 30% of their income. These payments are shared by the Provincial and Federal Governments under Section 44(1)(a) National Housing Act. At December 31, 1984, 652 resident units in 98 developments had received payments totalling $2,192,828.

Housing Communities Under Management



Greater Vancouver	Units
Individual Houses	*69 Family*
Abbotsford	
Cedarhurst	53 Family
Mackenzie Road	38 Family
Aldergrove	
Alderhaven	53 Senior
Burnaby	
Cedar Place	90 Family
Douglas Drummond Manor	125 Senior
Hall Towers	214 Senior
Hall Towers Extension	118 Senior
Inman & Lister	16 Family
Irmin & McPherson	6 Family
Laurelyn Place	71 Senior
Stratford Gardens	127 Senior
Individual Houses	5 Family
Matsqui	
Marshall Road	11 Family
Mission	
Windebank Village	32 Family
New Westminster	
Ross Tower	101 Senior
North Vancouver	
Grant McNeil Place	112 Family
Richmond	
Rosewood Village	176 Senior
	138 Family
Squamish	
Valleycliff	23 Family

Surrey	
Greenbrook	127 Family
North Surrey Lions	
Len Sheppard Manor	102 Senior
Ted Kuhn Tower	248 Senior
Ted Kuhn Tower Extension	189 Senior
Vancouver	
Bauer Villa - Garden Villa	44 Senior
Brant Villa	48 Family
Carolina Court	50 Family
Champlain Place	100 Family
Chimo Terrace	80 Family
Comox Street	59 Family
Culloden Court	44 Senior
	88 Family
Cypress Walk	32 Family
East 7th Avenue	18 Family
8th & Vine	7 Family
Grandview Terrace	100 Senior
	54 Family
Haida Court	14 Family
Killarney Gardens	188 Senior
Little Mountain	20 Senior
	204 Family
MacLean Park	121 Senior
	38 Family
MacLean Park Extension	161 Senior
	139 Family
Nicholson Tower	223 Senior
Orchard Park	36 Senior
	133 Family

Raymur Place	135 Senior
	241 Family
Redwood Mews	30 Family
Rupert Lane	42 Family
Seven Maples - Woodcroft	69 Senior
Skeena Terrace	69 Senior
	165 Family
Steeves Manor	200 Senior
Sunset Towers	501 Senior
West Vancouver	
Sunnyside Manor	61 Senior
Total	**5,753 Units**
Senior	3,496 Units
Family	2,257 Units

Vancouver Island

	Units
Individual Houses	***19 Family***
Campbell River	
Robron Village	48 Family
Simms Creek Gardens	30 Family
Ladysmith	
Rialto Manor	22 Seniors
Nanaimo	
Howard Avenue	34 Family
Port Alberni	
Geo. Dowling Place	16 Family
Gertrude Street	10 Family
Harbour View Manor	11 Family
Red Oaks Manor	12 Family
Ridgeway Manor	16 Family
Saanich	
Battin-Fielding	60 Senior
	19 Family
Edge Place	20 Family
Lakehill Corners	18 Family
Scotia Green	20 Family
1149 Union Street	4 Family
Victoria	
Blanshard Court	166 Family
	18 Senior
Bayview	12 Family
The Glenshiel	74 Senior
Hampton House	81 Senior
Juniper Gardens	12 Family
Cedar Townhouses	47 Family
Total	**784 Units**
Senior	255 Units
Family	529 Units

Southern B.C.

	Units
Individual Houses	***13 Family***
Castlegar	
420 - 11 Avenue	14 Family
1449 Arrow Lakes Dr.	28 Family
Chase	
Shuswap Ilahee Lodge	30 Senior
Cranbrook	44 Family
Kamloops	
Brocklehurst	12 Family
Keremeos	
Mountain View Manor	26 Senior
Lillooet	
Red Rock Manor	21 Senior
Merritt	
Trade Winds Terrace	32 Senior
100 Mile House	
Pioneer Haven	16 Senior
Oliver	
Oliver Gardens	11 Family
Penticton	
Penticton & District Retirement Centre	126 Senior
Princeton	
Tulameen Ave.	15 Family
Revelstoke	
Monashee Court	50 Senior
Sparwood	
Sasko Manor	18 Senior
Winfield	
Cedar Court	29 Senior
Total	**485 Units**
Senior	348 Units
Family	137 Units

Northern B.C.

	Units
Individual House	***2 Family***
Burns Lake	
McKenna Place	40 Family
Dawson Creek	50 Family
Fort St. John	12 Senior
	28 Family
MacKenzie	
Spruce Grove Apts.	30 Family
McBride	
Beaver View Lodge	20 Senior
Prince George	
Strathwood Apartments/ Townhouses	6 Senior
	44 Family
Pine View Apartments	12 Family
Vanier Apartments	30 Family
Westwood Court	34 Family
Prince Rupert	
Cedar Ridge	42 Family
Mariposa Gardens	84 Family
Harbour View Garden	166 Family
Moresby Townhouses	24 Family
Sunset Villa Apts.	37 Senior
Pineridge Terrace	37 Family
Terrace	
The Willows	40 Senior
Vanderhoof	
Douglas Street	34 Family
Total	**772 Units**
Senior	115 Units
Family	657 Units
GRAND TOTAL:	**7,794 Units***
Senior	4,214 Units
Family	3,580 Units

**Does not include City of Vancouver managed properties.*

1984 Highlights

Personnel and Labour Relations
Successful negotiations were completed for two year contracts with Local 73 of the B.C. Government Employees Union, Local 40 of the Hotel, Restaurant, Culinary Employees and Bartenders Union and the Service Employees International Union.

Staff Training and Development
The Leadership Development Program commenced in 1983 and continued through 1984 with courses in Labour Relations and Recruitment Selection.

The course "Image and Impact" was also offered and dealt with professional image and the handling of telephone and public enquiries.

Energy Conservation
During 1984, the Commission participated in a nation-wide program to reduce energy costs in public housing by undertaking low cost energy saving measures, such as automating heating controls. British Columbia was chosen as one of three provinces to test the program, and results were extremely

optimistic, showing savings of approximately $35,000 for the seven buildings selected. Using this figure as a guideline, the Commission has set a goal of saving $100,000 in energy costs during 1985.

Life Safety

The introduction of the Fire and Safety Program in 1983 proved to be a great success, and as a result, it has been expanded to include all aspects of Life Safety, including fire, safety, first aid and security. The development of Fire Safety Plans for Commission buildings continued to be a priority, with local Fire Departments expressing praise for the results. In addition, local Fire and Safety Committees in the Greater Vancouver regions were re-structured so as to be more responsive to hazards and accidents occurring on Commission properties.

People, Plants and Homes

The innovative People, Plants and Homes programme had another successful year. In Greater Vancouver and Greater Victoria

1984 Highlights *(Cont'd.)*

Regions, participation levels remained high while new interest was generated in the Northern and Southern Regions.

Hall Towers I added a greenhouse to its gardening repertoire while the junior/senior gardening link continued between 30 grade four students and seniors at two Burnaby housing developments.

The success of People, Plants and Homes continues to grow as more tenants realize the benefits of the programme which include social contact with neighbours and a sense of accomplishment as well as the enjoyment and therapeutic aspects of gardening.

Resident Recreation Activity Program
In 1984, the Commission once again made funds available through the Resident Recreation Activity Program to assist tenant associations and resident groups operating within Commission-managed housing. These tenant-run groups sponsor programs and activities of a recreational nature for senior citizens and families. There are over 40 active tenant associations throughout the province who work together with other community resource agencies such as Community Centres, Human Resources and Health Departments to provide recreational programs and activities for the benefit and participation of all the tenants living within a development.

Pre-Authorized Rent Payment Program
In October of 1984, the Commission began offering its tenants a more convenient way to pay their rent. Under the new Pre-Authorized Rent Payment Program tenants may have their rent payment automatically deducted from their bank account. A record of payment appears on the tenant's bank statement. To date, the program has proven to be highly successful with participation growing.

Regional Activities

Greater Vancouver Regions

- Skeena Terrace is a 234 unit family and senior development in Vancouver. This year, the Commission contributed $10,000 toward the renovation of the former co-op building into a daycare facility for 3 to 5 year olds. The daycare will be owned and operated by the Skeena Terrace Tenants' Association.
- Raymur Place is a 376 unit family and senior development in Vancouver's east side. The Tenants' Association sponsored a competition for a mural with a native theme to be painted in the lobby of the building at 400 Campbell Avenue. It was hoped that such a mural would put an end to the vandalism and graffitti in the lobby. The winners of the competition, Valerie and Isaac Tait grew up in Raymur. Their father is a well known national native carver. Isaac is already gaining a reputation as a native youth artist and has sold some of his work in local galleries.
- The drainage system was renewed and entrance ways were redesigned for the residents' convenience and privacy at McKenzie Road, a 38 unit family development in Abbotsford.
- The addition of cream coloured vinyl siding at the 127 unit Greenbrook Townhouse development in Surrey not only enhanced the appearance of the homes by giving them a "new look" but also has the added benefit of improved energy conservation

Vancouver Island Region

- Hampton House, an 81 unit seniors development in Victoria underwent a major upgrading which included the carpeting of suites, installation of new showers and tub surrounds, installation of deadlocks and an updated fire alarm system.

Southern Region

- Staff in the Southern Region assisted the Ministry of Human Resources in the placement of mentally disabled residents from the Tranquille Institution to other homes througnout the Province. This move has been described as the largest of its type ever to take place in North America.

Northern Region

- The Northern B.C. Region had a significant amount of maintenance work to undertake in several developments. These projects included major repairs to the storm and sanitary sewage system at Spruce Grove and major repairs to the drainage and grounds at Cedar Ridge.

  The harshest winters and the greatest amount of weather damage in the Province are experienced in Northern B.C.'s communities. As a result, there is a rush to complete maintenance work during the summer months.

Financial and Administrative Activities

Computer Services

New computer systems were implemented that will result in reduced costs and manpower. Innovations include a computerized purchasing system with financial commitments, pre-authorized rent payments through the tenants bank account and improved rent collection control.

Budget Planning

A simplification of the budget process by staff resulted in streamlined procedures and better control over capital maintenance projects.

Research

Extensive research projects were carried out during the year focussing on such areas as applicant family income ceilings, balanced community policy, rate of return from assets for income determination purposes and handicap housing priorities.

Internal Audit

An operational audit team was formed during the year. The mandate of the team is to review and evaluate the Commission's operational systems with a view to increasing efficiency and effectiveness. A further objective is to streamline the Commission's management systems and procedures and to make recommendations for alternate procedures where necessary.

Rent Supplement Activities

Commission and Ministry staff successfully negotiated a tri-partite agreement with CMHC which will be used with non-profit societies operating group homes for the disabled.

Commission Organization

Board of Commissioners

Mary H. Kerr
Chairman

Andrew Armitage
Vice Chairman, Ministry of Lands, Parks and Housing

Audrey Laboucane
Fort St. John

Duncan McDougall
Naramata

Senior Management

J. C. (Ian) Leman
General Manager

Allan V. Robinson
Director, Housing Operations

R. L. (Lin) Matthews
Director, Financial and Administrative Services

Caroline McDonald
Director, Personnel and Labour Relations Services

Regional Managers

Christine Teply
Greater Vancouver Burrard

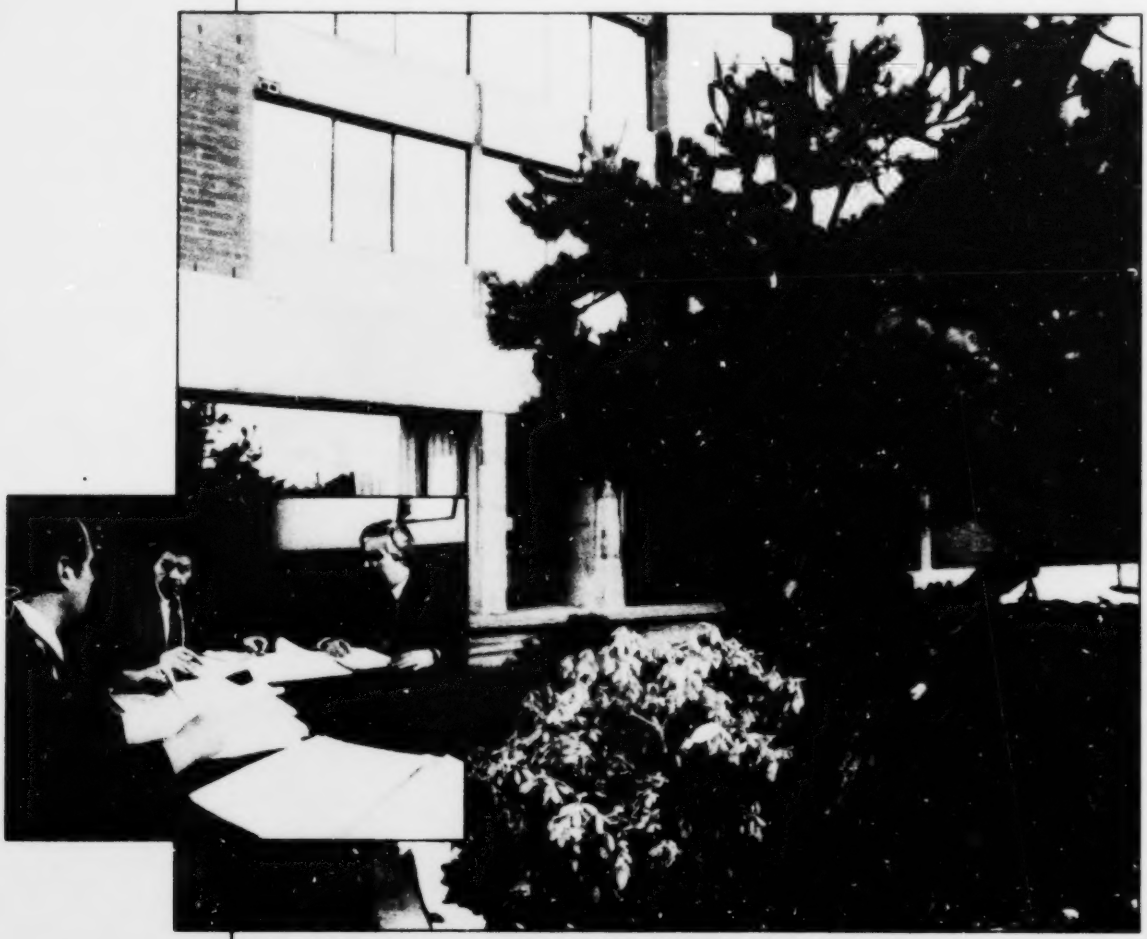
Dorothy I. Wilson
Greater Vancouver Fraser

Catherine Therrien
Greater Vancouver Central

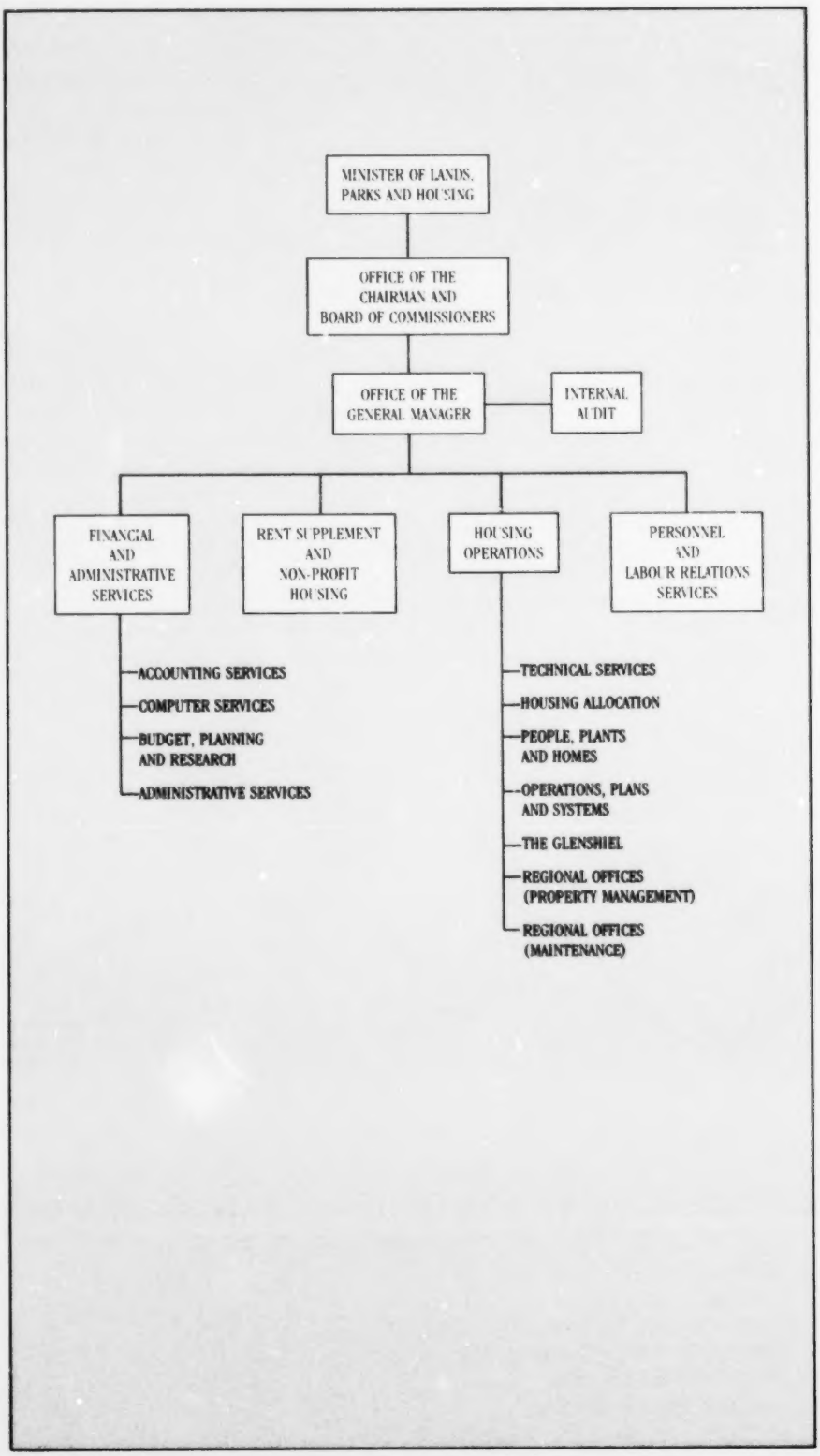
Albert Stein
Vancouver Island Region

Joseph Scott
Northern B.C.

Thomas Proudlock
Southern B.C.



Organization Chart
(By function)



Financial Statements

Auditor's Report

To the Chairman
British Columbia Housing Management Commission
Vancouver, B.C.

We have examined the combined balance sheet of the Province of British Columbia, projects and programs managed by British Columbia Housing Management Commission, as at December 31, 1984 and the combined statements of revenue and expenditure and Province's account and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the combined financial position of the projects and programs as at December 31, 1984 and the combined results of their operations and changes in their financial position for the year then ended in accordance with the accounting policies described in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

Peat, Marwick, Mitchell & Co.
Chartered Accountants

Vancouver, Canada
May 28, 1985

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Combined Balance Sheet

	1984	1983
Assets		
Accounts receivable	**$ 450,108**	$ 974,576
Prepaid expenses and shelter supplement	**1,143,946**	1,273,303
Disaster loss fund (note 3)	**624,181**	584,864
Fixed assets	**273,873**	82,819
Due from Canada Mortgage and Housing Corporation	**3,565,230**	3,267,426
Due from Province of British Columbia	**1,527,800**	—
	$7,585,138	$6,182,988
Liabilities and Province's Account		
Bank indebtedness	**1,700,116**	748,634
Accounts payable	**3,200,730**	3,425,462
Amortization payable	**320,277**	169,921
Tenants' prepaid rent	**212,216**	117,089
Disaster loss reserve (note 3)	**624,181**	584,864
	6,057,520	5,045,970
	6,057,520	5,045,970
Province's account	**1,527,618**	1,137,018
	$7,585,138	$6,182,988

On behalf of the Commission:

Chairman

Member

See accompanying notes.

Combined Statement of Revenue and Expenditure

	1984	1983
Revenue		
Tenant rent	**$18,680,002**	$17,176,414
Sundry	**46,888**	83,763
	18,726,890	17,260,177
Expenditure:		
Amortization	**14,318,670**	14,318,670
Operating	**10,247,193**	10,966,726
Shelter supplement	**7,987,728**	8,598,486
Maintenance	**4,057,121**	3,863,155
Grants in lieu of taxes (note 5)	**3,374,366**	3,424,276
Administration	**2,542,269**	2,601,608
Modernization and improvement	**2,989,615**	1,302,896
Provincial programs	**1,358,632**	1,391,225
Working capital interest (note 2)	**613,485**	693,827
	47,489,079	47,160,869
Program deficit	**(28,762,189)**	(29,900,692)
Interest income, net	**545,466**	600,488
Excess of expenditure over revenue for the year	**28,216,723**	29,300,204
Less Canada Mortgage and Housing Corporation subsidy share	**16,238,664**	16,562,673
Net Provincial expenditure	**11,978,059**	12,737,531
Subsidy receipts	**12,325,219**	11,485,696
Province's account, beginning of year	**1,137,018**	2,100,681
Prior period adjustment (note 4)	**43,440**	288,172
Province's account, end of year	**$ 1,527,618**	$ 1,137,018

See accompanying notes.

Combined Statement of Changes in Financial Position

	1984	1983
Sources of funds:		
Subsidy receipts:		
Province of British Columbia	**$12,368,659**	$11,774,378
Canada Mortgage and Housing Corporation	**10,168,349**	16,302,402
Decrease in accounts receivable	**524,468**	
Decrease in prepaid expenses	**129,357**	
Increase in accounts payable		1,480,358
Increase in tenants' prepaid rent	**95,127**	
Increase in amortization payable	**150,356**	
	23,436,316	29,557,138
Application of funds:		
Excess of expenditure over revenue for the year	**28,216,723**	29,300,204
Less:		
Depreciation expense	**(81,798)**	(75,581)
Retirement of fixed assets	**(50,000)**	(92,031)
Amortization credited to Canada Mortage and Housing Corpration	**(5,772,511)**	(5,772,511)
	22,312,414	23,360,081
Increase in amount due from Province of British Columbia	**1,527,800**	
Increase in accounts receivable		618,491
Increase in prepaid expenses		31,537
Purchase of fixed assets	**322,852**	32,819
Decrease in accounts payable	**224,732**	
Decrease in amortization payable		8,546,159
Decrease in tenants' prepaid rent		153,391
	24,387,798	32,742,478
Decrease in funds	**(951,482)**	(3,185,340)
Funds, beginning of year	**(748,634)**	2,436,706
Funds, represented by bank indebtedness, end of year	**$(1,700,116)**	$ (748,634)

See accompanying notes.

Notes to Financial Statements

1. Significant Accounting Policies

a) Basis of financial statement presentation

These statements combine five separate financial statements of projects and programs operated by the Province of British Columbia (Ministry of Lands, Parks and Housing) and managed by British Columbia Housing Management Commission, each of which has its own subsidy sharing agreement.

The statements are prepared on the basis of accounting practices followed by similar entities in the Province of British Columbia.

b) Amortization

These statements do not include the capital cost of the projects, however, amortization in lieu of depreciation and interest on capital costs is in part payable to the Provincial Rental Housing Corporation and in part credited to Canada Mortgage and Housing Corporation based on schedules provided by the participants.

c) Tenant rent revenue

Tenant rent revenue represents rent charged to residents, and is determined as the lesser of market rent, or a percentage of the resident's income. On October 1, 1983 the percentage charged new tenants was increased to 30% from 25%. For existing tenants transitional provisions apply whereby the percentage increase is phased in over a three year period, i.e. 26.5% on October 1, 1983, 28.2% on October 1, 1984 and 30% on October 1, 1985.

d) Fixed assets

All purchases are recorded as program operating expenditures, except for computer hardware and software which are recorded at cost as fixed assets and depreciated on the straight line basis over five and three years respectively.

2. Working Capital Interest

The Province of British Columbia, through the Wholly Provincial projects and programs account, provides working capital to the projects and programs managed by the Commission, at interest rates agreed to by the participants.

3. Disaster Loss Fund

This fund, financed by the Province of British Columbia and Canada Mortgage and Housing Corporation, provides for claims below the deductible amounts of insured properties and for damages to uninsured items.

4. Prior Period Adjustment

Under agreement between the Province of British Columbia and Canada Mortgage and Housing Corporation, the cost sharing of subsidies between the participants has been revised for prior years.

5. Grants in Lieu of Taxes

The Commission, on behalf of the Province of British Columbia and Canada Mortgage and Housing Corporation, pays each municipality a grant equivalent to property taxes due for all residential properties and projects managed.

6. Lease Commitments

The Commission has obligations under operating leases for office space to be expensed over the next five years as follows: $372,000 in 1985, and $480,000 in each of the next four years.

Schedule of Program Subsidies

	1984	1983
Property Management Portfolio:		
Section 40 NHA — Regular	**$ 9,721,031**	$10,124,495
— City of Vancouver	**881,529**	1,021,519
Section 44 NHA — Regular	**7,679,061**	6,898,245
Wholly Provincial Projects and Land Parcels	**(568,438)**	90,565
	$17,713,183	$18,134,824
Rent Supplement Programs:		
Section 44(1)(a) NHA —		
Private	**2,421,321**	2,679,120
Disabled	**1,529,479**	1,266,533
City of Vancouver Residences	**375,697**	385,024
Section 44(1)(b) NHA —		
Senior Citizens	**4,671,742**	5,148,705
High Impact Grants	**146,669**	294,773
	$ 9,144,908	$ 9,774,155
Other Provincial Programs:		
Consulting Services to Non-Profit Societies	**15,108**	61,368
Rural and Remote Mortgage Program	**1,008,299**	853,012
GVRD and Co-op Mortgage Programs	**27,059**	32,332
Provincial Rental Assistance Program	**308,166**	444,513
	$ 1,358,632	$ 1,391,225
Excess of expenditure over revenue for the year	**$28,216,723**	$29,300,204
Subsidy sharing:		
Canada Mortgage and Housing Corporation	**$16,238,664**	$16,562,673
Province of British Columbia	**11,978,059**	12,737,531
	$28,216,723	$29,300,204

Note: This schedule is not covered by the Auditors' Report.

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